



JON M. HUNSTMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah Department of Commerce

FRANCINE GIANI
Executive Director

THAD LEVAR
Deputy Director

June 26, 2006

MEDIA ALERT

Investor Loses \$100,000 in "Thanksgiving Point" Real Estate Scam
"False Promise of a 40% profit lures Investor into Expensive Scheme"
(for immediate release)

SALT LAKE CITY, Utah – The Division of Securities announced today that an Order was entered against Royal American Real Estate Holdings, LLC of Orem, along with Theodore L. Hansen from Provo and Charles W. Hanna from Springville for taking \$100,00 from an Investor for a fake real estate investment.

The Investor was told if he gave Royal American, Hansen and Hanna \$100,000 for earnest money towards the purchase of land in Thanksgiving Point, he would be paid his original investment plus a \$40,000 profit. The same day the Investor turned over his cashiers check made out to Royal American, the two men used \$91,297 of it to pay for other personal expenses instead of a real estate purchase. Within two weeks, the Investors' funds were spent and a subsequent real estate purchase fell through when Royal American's check bounced due to lack of funds. The Investor was never told of prior tax liens and civil judgments against Hanna and Hansen, including \$3,598,469 owed by Hansen for 11 tax liens and \$9,318,634 owed by Hansen for 20 prior civil lawsuits. To date, Royal American, Hanna and Hansen have paid the Investor \$23,811.12 of their original \$100,000 investment.

The Division of Securities is seeking a cease and desist order against Royal American, Hansen and Hanna and to impose fines of \$220,000. A hearing is scheduled for July on the Division's charges.

Investors are urged to contact the Division of Securities to make sure anyone offering investments is licensed, by calling 801.530.6600, toll free 1.800.721.7233 or logging on to www.securities.utah.gov

For more information contact:
Jennifer Bolton
(801) 530-6646 office
(801) 652-8322 cell